



COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

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March 10, 2008

TO: Each Supervisor
FROM: Dean D. Efsthliou
Acting Director of Public Works

ALAMEDA CORRIDOR-EAST CONSTRUCTION AUTHORITY BOARD MEETING-FEBRUARY 25, 2008

On February 25, 2008, my staff attended the regular Board meeting of the Alameda Corridor-East (ACE) Construction Authority. A copy of the agenda and adopted minutes of the January 28, 2008, regular Board meeting are attached. The following items were discussed at the meeting, which are of interest to the County.

Agenda Item VII – The Board accepted contract work for the Temple Avenue Train Diversion project as substantially complete in accordance with the project plans and specifications. After completion of the contract work, several items of additional work not included in the contract were requested by third parties. A change order is anticipated to address these items and reconcile final quantities.

This partial acceptance will allow the release of the contractor's retention on the completed work. Staff will return to the Board for approval of final contract closeout when the additional work has been completed. At that time, staff will also advise as to the final contract amount and the final contract DBE percentage.

Agenda Item VIII – The Board adopted staff's recommendation to authorize the Chief Executive Officer to execute a design contract in the amount of \$8,642,032 with Moffatt & Nichol for the San Gabriel Trench project located in the City of San Gabriel.

Agenda Item IX – The Board approved staff's request to hire two new staff for project management support as part of the ACE Transition Plan for In-house Program Management Support, which was approved by the Board on October 22, 2007.

Each Supervisor
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The next Board meeting will be held on March 24, 2008, at 2 p.m., at the Irwindale City Hall Chambers.



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Attach.

cc: Chief Executive Office (William T Fujioka, Lari Sheehan)
Executive Office



Alameda Corridor-East Construction Authority

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ALAMEDA CORRIDOR-EAST CONSTRUCTION AUTHORITY BOARD OF DIRECTORS

REGULAR MEETING AGENDA

Monday, February 25, 2008 – 2:00 P.M.

**Irwindale City Hall
5050 Irwindale Avenue
Irwindale, CA 91706**

Members of the public may comment on any item on the agenda at the time it is taken up by the Board. We ask that members of the public come forward to be recognized by the Chair and keep their remarks brief. If several persons wish to address the Board on a single item, the Chair may impose a three-minute time limit on individual remarks at the beginning of the discussion.

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| I. | Roll Call and Introductions | |
| II. | Pledge of Allegiance | |
| III. | Approval of Minutes of Meeting of January 28, 2008 (Pages 1-4) | Action |
| IV. | Public Comment | |
| V. | Chairman's Remarks | Information |
| VI. | Chief Executive Officer's Report (Page 5-14) | Information |
| VII. | Approval of Acceptance Temple Avenue Train Diversion Construction Contract Closeout with Yeager Skanska, Inc. (Page 15-16) | Action |
| VIII. | Award of Design Services Contract for the San Gabriel Trench Project with Moffat & Nichol (Pages 17-18) | Action |
| IX. | Approval of Revised Staffing Plan (Pages 19-22) | Action |
| X. | Presentation on Baldwin Avenue Grade Separation Project | Information |
| XI. | Closed Session: The Board will adjourn to closed session in accordance with Government Code Section 54956.9(a) to discuss existing litigation. Alameda Corridor-East Construction Authority vs C McGee Electric Inc. et al.
LASC Case No. BC 294345 | Possible
Action |
| XII. | Adjournment | Action |

The ACE Construction Authority is currently constituted of seven (7) member jurisdiction; the Cities of El Monte, Industry, Montebello, San Gabriel and Pomona, the County of Los Angeles and the San Gabriel Valley Council of Governments. A San Bernardino County Council of Governments representative is an ex-officio Board member.

Each member or alternate has one vote. A quorum of the ACE Construction Authority is no less than four (4) of its total voting membership. Actions taken by the ACE Construction Authority shall be by simple majority of the members present with a quorum in attendance except for personnel actions, the annual budget, matters dealing with the Administrative Code or matters requiring subsequent approval by the SGVCOG, all of which shall require five (5) votes.



**ACE Construction Authority
Board Meeting
January 28, 2008 Minutes**

Chairman Gutierrez called the meeting to order at 2:00 PM in the Irwindale City Council Chambers, Irwindale California.

1. In attendance were:

Ernest Gutierrez, Chairman
George Hunter, Vice Chairman
Dave Spence, La Canada Flintridge, SGVCOG
Harry Baldwin, San Gabriel
Rosemarie Vasquez, Montebello
Tim Spohn, Industry
Gloria Molina, County of Los Angeles

Staff

Rick Richmond, Chief Executive Officer
Joe Silvey, Legal Counsel
Sharon Neely, staff
Lou Cluster, staff
Girish Roy, staff
Regina Talamantez, staff
Cynthia Ambrose, staff
Carlos Monroy, staff

Guests

Alan Ude, Los Angeles County Department of Public Works
Laura Conejo, City of Montebello
David Varnam, Congressman Gary Miller

2. Pledge of Allegiance

Member Baldwin led the pledge of allegiance.

3. Approval of Minutes of December 17, 2007.

A motion was made to approve the meeting minutes of December 17, 2007.
M/S/C: Hunter/Vasquez/Unanimous

4. Public Comment

There were no public comments.

5. Chairman's Report

Chairman Gutierrez thanked the Board for the opportunity to serve as Chair for the past three years. He indicated he was pleased with the harmony and commitment of the Board and confident the new Chair would enjoy the seat as much as he has.

6. Chief Executive Officer's Report

Rick Richmond introduced new Senior Project Manager Regina Talamantez. He reminded the Board that Regina, as Resident Engineer, was responsible for the success of the Nogales Street grade separation and has been working on at Brea Canyon Road from its inception. He indicated he was confident she would continue to be an asset to the Authority. He also reported that while Regina joins us, Girish Roy, who was working as Senior Project Manager on Brea Canyon Road and East End/Reservoir projects, has accepted a position at the MTA. Mr. Richmond thanked him for his contributions and wished him well on his new undertaking. Mr. Richmond indicated that we also responded to a request from the Governor's office for candidate economic stimulus project by submitting three grade separation projects that could go to construction relatively quickly.

Senior Project Manager Girish Roy reviewed construction progress photos of the East End Ave and Brea Canyon Road grade separation projects. Senior Project Manager Lou Cluster reviewed construction progress photos of the Ramona Blvd. and Sunset Ave grade separation projects. George Nomura, Program Manager reviewed program management support tasks completed or ongoing over the past month.

7. Election of Officers

Chairman Gutierrez opened nominations for Chairman. A motion was made to nominate George Hunter Chairman by Chairman Gutierrez and seconded by member Baldwin. There were no other nominations.

M/S/C:Gutierrez/Baldwin/Unanimous

Chairman Hunter opened nominations for Vice Chairman. A motion was made to nominate Tim Spohn Vice Chairman by member Baldwin and seconded by member Spence. There were no other nominations.

M/S/C: Baldwin/Spence/Unanimous

8. Quarterly Progress Report

Mr. Richmond reviewed the project cost, schedule and accomplishments over the past quarter. He reported the cost forecast was down from last quarter due to: final construction costs on Nogales (\$.9M), right-of-way costs for East End Avenue (\$.5M), Ramona construction contract costs (\$1.7M) and right-of-way costs (\$.1M), and Brea Canyon Road right-of-way costs associated with mitigation for business impacts (\$.4M). All cost increases were offset by the revenue generated by the sale of the excess property at Nogales and Valley of \$5M. Mr. Richmond summarized the construction accomplishments which included: at the East End Avenue grade separation project - continued

construction of UPRR bridge, retaining wall, pump station and beginning the construction of the First Street bridge. Ramona Blvd. grade separation – continued east side bridge piles, mass excavation and retaining wall construction. Completed pump station mechanical and electrical work and completed the UPRR second track bridge and abutments. Brea Canyon Road – completed storm drain, continued utility relocations, mass excavation, installation of shoring and retaining wall construction. Sunset Ave – completed California Ave shoofly trackwork installation. Continued storm drain relocations, and shoofly grading.

9. Quarterly Financial Progress Report and Fiscal Year '07 Financial Audit

Carlos Monroy reviewed the FY '08 budget reports including cash expenditures by project and expenditures versus receipts. He also reviewed the investment reports which showed favorable investment returns.

10. Approval of Mid Year Budget Revision

Mr. Richmond reminded the Board the fiscal year budget is adopted in May each year and based on an estimate of expected rate of progress and resulting spending. He further reminded the Board that at calendar year end the budget versus spending is reviewed. He indicated a slower rate of spending than anticipated and was requesting the Board's approval to adjust the budget accordingly. He reviewed factors causing underspending. They were: a slower rate of property acquisitions for the Baldwin Ave project, delays to due to design changes and unforeseen site conditions on Sunset Ave and a slower rate of progress by the Union Pacific on track installation and bidding delay for the 4th track project at Temple Avenue. He requested the following budget revisions: Personnel – Add \$90,000 to pay off a side fund (unfunded liability) established by CalPERS at the inception of the Authority's joining. Right-of-way – Reduce by \$2.8 million to \$11.774 million. Railroad construction – reduce by \$2 million to \$16.699 million. Construction contracts – reduce by \$11.8 million to \$39.074. The total budget reduction proposed from \$103.858 million to \$87.348 million.

A motion was made to approve a mid-year budget revision for the fiscal year ending June 30, 2008, reducing the total budget from \$103.858 million to \$87.348 million.

M/S/C/Gutierrez/Baldwin/Unanimous

11. Approval of Finance Department Staffing Plan

Mr. Richmond presented the item. Supervisor Molina questioned whether it was advisable for ACE staff to grow given the advantaged ACE now has being small. Mr. Richmond acknowledged the benefits of being a small staff but observed

that our options are limited given the fact that Bechtel has declined to extend the contract past June 30, 2008 unless it was going to increase in scope, which we don't think is likely. Councilwoman Vasquez asked whether there is a cost advantage to convert to in-house program management. Richmond responded that for the current year the cost would be about break even, but in-house should be less expensive starting next fiscal year and beyond.

A motion was made to continue the conversion from a contracted to in-house program management support through authorization of three new staff positions for the Finance area.

M/S/C/Hunter/Spence/Unanimous

12. Approval of Positions on State Legislation

Sharon Neely reviewed the report on pages 54-55 of the agenda. She reviewed the elements of AB 353 (Carter). She reported that if passed would allow the CTC to allocate \$15 million to any of the top five priority grade separation projects ranked by the PUC. She reviewed AB 660 (Galgiani). She indicated staff was suggesting opposition of this bill unless amended. She reviewed the details of the key provisions. She requested the Board's approval of the staff recommendation.

13. Closed Session: Mr. Silvey announced that the Board would adjourn to closed session as per Government Code Section 54956.9(a) to discuss existing litigation.

The Board returned from closed session and Mr. Silvey announced there was no action taken which needed to be reported.

14. The meeting was adjourned at 3:26PM .